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E000007872

OPEN MEETING AGENDA ITEM

July 29th, 2020

Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007-2996

Re: Docket No. RU-00000A-18-0284, Business Support for Increased Clean Energy, Renewable Energy and Energy Efficiency Standards

Dear Chairman Burns and Members of the Arizona Corporation Commission,

As major businesses, trade associations, employers, and large energy consumers in Arizona, we are committed to increasing the use of renewable energy and energy efficiency in the state. Given our preferences for clean and affordable energy resources, we write to express our support for strong, enforceable clean energy standards in Arizona. Specifically, we support:

- A 50% by 2030 Renewable Energy Standard and Tariff (REST),
- A 35% by 2030 Electric Energy Efficiency Resource Standard (EERS), and
- A 100% clean energy by 2050 electricity standard, with interim targets.

Amidst the ongoing COVID-19 pandemic, we have an opportunity to make Arizona's economy more robust and resilient by investing in clean energy technologies. States with robust clean energy standards create policy certainty--attracting companies seeking to make long-term investments consistent with their sustainability and financial goals. A growing number of companies, both large and small, have set goals to reduce greenhouse gas emissions, procure renewable energy, and invest in energy efficiency.[1] Clean energy helps businesses save money, hedge against volatile fuel prices, and stay competitive. In fact, a 2017 analysis shows clean energy saved U.S. companies nearly $3.7 billion a year, freeing up significant capital that we can reinvest into our businesses, students, employees, and local communities.[2] Clean energy targets will lead to increased use of renewable energy and energy efficiency, providing the necessary market signals for businesses to make additional investments in Arizona and ensure job growth continues in the state's clean energy economy.

To ensure a swift and beneficial recovery from the COVID-19 pandemic, we need policies and programs that promote social and economic recovery. Arizona's current clean energy policies have delivered significant benefits to the state as reliable sources of local investments and have a proven track record of creating jobs and shovel-ready projects for local businesses. A first-of-its-kind report recently commissioned by Ceres found that

[1] Nearly half of all Fortune 500 companies have set goals to reduce GHG emissions, procure renewable energy, and invest in energy efficiency, see: Ceres. "Power Forward 3.0: How the largest U.S. companies are capturing business value while addressing climate change" April 15, 2017. https://www.ceres.org/resources/reports/power-forward-3.
[2] Ibid.

from 2008 to 2018, REST gross benefits to Arizona utility customers and the public totaled nearly $2 billion.[3] Many of these benefits directly support Arizona's rural communities, which have captured 47% of the state's total installed renewable energy capacity.[4] From 2008-2016, energy saving efforts implemented by the state's three largest utilities have created nearly $3 billion in net economic benefits, saving families and businesses money on their energy bills.[5] The right investments now will produce local jobs, tax revenue, and additional investments for years to come.

Clean energy investments also have the significant added benefit of reducing harmful air pollutants and associated health costs. Improving air quality is not only the right thing to do for public health and for Arizona communities, it also makes economic sense. Fewer instances of respiratory illness, missed days of work and hospitalizations will increase personal disposable income and help reduce the financial pressure on state-funded healthcare programs. Given the ongoing public health crisis, policies that support a healthy workforce have never been more critical.

We recognize the significant opportunity presented by renewable energy and energy efficiency. As such, we urge you to support Arizona's growing clean energy economy by strengthening Arizona's clean energy standards. Thank you for your consideration.

Sincerely,
Ameresco, Inc.
Arizona Technology Council
Ball Corporation
Building Performance Association
Johns Manville
Lutron Electronics
NAESCO (National Association of Energy Service Companies)
NAIMA (North American Insulation Manufacturers Association)
ON Semiconductor
Schneider Electric
Tucson 2030 District
Uplight

For additional information or to connect with the signatories, please contact Emily Duff, Senior Associate for State Policy at Ceres (duff@ceres.org).

More information on signatories:
Ameresco, Inc. is a leading independent provider of comprehensive energy efficiency and renewable energy solutions for facilities throughout North America and the United Kingdom, delivering long-term value through innovative systems, strategies and technologies. Ameresco's solutions range from upgrades to facility's energy infrastructure to the development, construction and operation of renewable energy plants combined with tailored financial solutions. With offices in Chandler, Phoenix, and Tucson, Ameresco is committed to the success of Arizona's clean energy future.

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[3] Ceres and Strategen Consulting, "Arizona Renewable Energy Standard and Tariff: 2020 Progress Report." March 3, 2020. https://www.ceres.org/ArizonaREST.
[4] Ibid.
[5] Southwest Energy Efficiency Project. "Arizona Electric Utility Energy Efficiency Programs: A Success Story" August 2017. https://www.swenergy.org/Data/Sites/1/media/az-success-story-utility-ee-2017-final.pdf.

The **Arizona Technology Council** is the largest technology-driven trade association in Arizona and one of the largest in North America, with almost 750 members. Its membership base is a diverse range of technology companies, associate vendors, educational institutions, governmental partners, and non-profit organizations. It is the principal advocate for science- and technology-based companies in Arizona.

Ball Corporation is a provider of metal packaging for beverages, foods and household products, and of aerospace and other technologies and services to commercial and governmental customers. Founded in 1880, the Fortune 500 company employs more than 18,300 people worldwide. In Arizona, Ball operates beverage packaging plants in Phoenix and Goodyear. Ball Corporation is in the top 10 largest corporate renewable energy buyers and is committed to reducing its absolute carbon emissions within its own operations by 55 percent and within its value chain by 16 percent by 2030 against a 2017 baseline.

The **Building Performance Association** is an industry association dedicated to advancing the home and building performance industry by delivering improved energy efficiency, health, safety, and environmental performance of buildings through our key stakeholders. The Association supports 9,500+ home performance contractors, weatherization agencies and training centers, product manufacturers and distributors, program sponsors and implementers, building scientists, and non-profits focused on residential and commercial energy efficiency.

Johns Manville, a Berkshire Hathaway company (NYSE: BRK.A, BRK.B), is a leading manufacturer and marketer of premium-quality products for building insulation, mechanical insulation, commercial roofing and roof insulation, as well as fibers and nonwovens for commercial, industrial and residential applications. JM serves markets that include aerospace, automotive and transportation, air handling, appliance, HVAC, pipe and equipment, filtration, waterproofing, building, flooring, interiors and wind energy. In business since 1858, the Denver-based company has annual sales over $3 billion and holds leadership positions in all of the key markets that it serves. Johns Manville employs 8,000 people and operates 46 manufacturing facilities in North America, Europe and China, including a facility in Tucson, AZ. Additional information can be found at www.jm.com.

Lutron Electronics designs and manufactures lighting controls and lighting control systems for both residential and commercial applications. Lutron's founder, Joel Spira, invented the first solid-state electronic dimmer in 1961. In 2010, his early prototypes and notebooks were inducted into the Smithsonian Museum of American History in Washington, DC. Today, the company is devoted to controlling both electric lighting and daylight, offering more than 15,000 lighting and window shade products around the globe. Together, they save more than 10 billion kWh of electricity annually, saving consumers more than $1 Billion each year.

NAESCO is the leading national trade association of the energy services industry. NAESCO numbers among its members some of the world's leading energy services companies. During the past twenty years, NAESCO member companies have implemented energy efficiency, demand response, renewable energy and distributed generation projects for government, industrial, commercial, institutional and residential customers, including several hundred million dollars' worth of projects in Arizona. Nationally, NAESCO member projects have produced: $60 billion in projects paid from savings, $65 billion in guaranteed savings, 570,000 person-years of direct employment, $43 billion in infrastructure improvements in public facilities and 500 million tons of CO2 savings at no additional cost.

NAIMA (North American Insulation Manufacturers Association) is the recognized voice of the insulation industry, bringing together North American manufacturers of fiberglass and mineral wool insulation products.

ON Semiconductor (Nasdaq: ON) is a leading supplier of semiconductor-based solutions, offering a comprehensive portfolio of energy efficient power management, analog, sensors, logic, timing, connectivity, discrete, SoC and custom devices. Worldwide, ON Semiconductor employs more than 34,000 people, with 1,000 working in the U.S.

Headquarters in Phoenix, Arizona. ON Semiconductor is dedicated to reducing its energy consumption and overall carbon footprint by 5% from 2016 - 2020.

Schneider Electric is a global company providing energy solutions and automation digital solutions for efficiency and sustainability. Schneider Electric combines world-leading energy technologies, real-time automation, software and services into integrated solutions for homes, buildings, data centers, infrastructure and industries. Schneider Electric employs more than 140,000 people worldwide and is committed by 2030 to power its 100% of its operations with renewable energy (80% by 2020), to double energy productivity, to achieve net-zero operational emissions, and to help its customers save 120 million metric tons of CO2.

The **Tucson 2030 District** is a private-public collaborative working to create groundbreaking high performance building districts in Tucson to demonstrate that high performing buildings can be the most valuable and economic buildings in the readion.

Uplight is the leading provider of end-to-end customer-centric technology solutions dedicated solely to serving the energy ecosystem. More than 80 utilities around the globe use Uplight solutions to power their customer energy experience. Uplight is a certified B Corporation—the highest standard for social corporate responsibility. Uplight has the ambitious goal of reducing CO2 emissions by more than 100 million metric tons and saving consumers more than $10 billion on their energy bills in the next 5 years.